

**Section 472.—Last-in, First-out Inventories**

26 CFR 1.472-1: Last-in, first-out inventories.

**LIFO; price indexes; department stores.** The April 1997 Bureau of Labor Statistics price indexes are accepted for use by department stores employing the retail inventory and last-in, first-out inventory methods of valuing inventories for tax years ended on, or with references to, April 30, 1997.

**Rev. Rul. 97-26**

The following Department Store Inventory Price Indexes for April 1997 were issued by the Bureau of Labor Statistics on May 15, 1997. The indexes are accepted by the Internal Revenue Service, under § 1.472-1(k) of the Income Tax Regulations and Rev. Proc. 86-46, 1986-2 C.B. 739, for appropriate application to inventories of department stores employing the retail inventory and last-in, first-out inventory methods

for tax years ended on, or with reference to, April 30, 1997.

The Department Store Inventory Price Indexes are prepared on a national basis and include (a) 23 major groups of departments, (b) three special combinations of the major groups - soft goods, durable goods, and miscellaneous goods, and (c) a store total, which covers all departments, including some not listed separately, except for the following: candy, foods, liquor, tobacco, and contract departments.

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE  
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS  
(January 1941 = 100, unless otherwise noted)

Groups	Apr. 1996	Apr. 1997	Percent Change from Apr. 1996 to Apr. 1997 <sup>1</sup>
1. Piece Goods . . . . .	528.6	533.0	0.8
2. Domestics and Draperies . . . . .	655.0	653.6	-0.2
3. Women's and Children's Shoes . . . . .	658.2	661.3	0.5
4. Men's Shoe . . . . .	899.6	904.8	0.6
5. Infants' Wear . . . . .	640.9	640.6	0.0
6. Women's Underwear . . . . .	538.5	546.3	1.4
7. Women's Hosiery . . . . .	285.7	294.4	3.0
8. Women's and Girls' Accessories . . . . .	554.9	561.0	1.1
9. Women's Outerwear and Girls' Wear . . . . .	430.9	439.8	2.1
10. Men's Clothing . . . . .	625.7	622.2	-0.6
11. Men's Furnishings . . . . .	590.3	598.9	1.5
12. Boys' Clothing and Furnishings . . . . .	491.2	498.6	1.5
13. Jewelry . . . . .	1036.3	1026.2	-1.0
14. Notions . . . . .	785.1	799.2	1.8
15. Toilet Articles and Drugs . . . . .	883.3	912.5	3.3
16. Furniture and Bedding . . . . .	672.2	667.5	-0.7
17. Floor Coverings . . . . .	571.1	586.9	2.8
18. Housewares . . . . .	802.9	815.9	1.6
19. Major Appliances . . . . .	246.8	241.9	-2.0
20. Radio and Television . . . . .	79.6	76.6	-3.8
21. Recreation and Education <sup>2</sup> . . . . .	113.7	110.2	-3.1
22. Home Improvements <sup>2</sup> . . . . .	125.7	131.4	4.5
23. Auto Accessories <sup>2</sup> . . . . .	107.3	107.3	0.0
Groups 1 - 15: Soft Goods . . . . .	608.2	614.6	1.1
Groups 16 - 20: Durable Goods . . . . .	468.8	466.9	-0.4
Groups 21 - 23: Misc. Goods <sup>2</sup> . . . . .	114.1	112.4	-1.5
Store Total <sup>3</sup> . . . . .	560.1	562.6	0.4

<sup>1</sup>Absence of a minus sign before percentage change in this column signifies price increase.

<sup>2</sup>Indexes on a January 1986=100 base.

<sup>3</sup>The store total index covers all departments, including some not listed separately, except for the following: candy, foods, liquor, tobacco, and contract departments.

## DRAFTING INFORMATION

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